

## EXHIBIT C

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
W. R. GRACE & CO., et al.,<sup>1</sup> ) Case No. 01-01139 (JKF)  
) (Jointly Administered)  
)  
Debtors. )

Objections due: *Nov. 11, 2004 @ 4:00 p.m.*  
Hearing date: To be scheduled, only if objections are  
timely filed and served.

**SUMMARY OF APPLICATION OF NELSON MULLINS RILEY & SCARBOROUGH,  
L.L.P. FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT OF  
EXPENSES AS SPECIAL COUNSEL TO W. R. GRACE & CO., ET AL., FOR THE  
THIRD INTERIM PERIOD, FROM SEPTEMBER 1, 2004 THROUGH SEPTEMBER 30,  
2004,  
FOR THE QUARTER OF JULY 2004 – SEPTEMBER 2004**

Name of Applicant:

Nelson Mullins Riley & Scarborough,  
L.L.P.

Authorized to Provide Professional Services to:

W. R. Grace & Co., et al., Debtors and  
Debtors-in-Possession

Date of Retention:

July 19, 2001

Period for which compensation and  
reimbursement is sought:

September 1, 2004 September 30, 2004

<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Turpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Amount of Compensation sought as actual,  
reasonable, and necessary:

**\$9,741.50 for the period**

Amount of expense reimbursement sought as  
actual, reasonable, and necessary:

**\$284.46 for the period**

This is a   x   monthly    interim    final application.

The total time expended for the preparation of this application is approximately  
**(3.50)** hours, and the corresponding estimated compensation *that will be requested in a  
future application* is approximately \$ **(422.00)**.

Prior fee applications:

Date Filed	Period Covered	Requested		Approved	
		Fees	Expenses	Fees	Expenses
October 17, 2001	July 19, 2001 – July 31, 2001	\$28,316.50	\$234.68	\$22,653.20	\$234.68
October 17, 2001	August 1, 2001- August 31, 2001	\$69,119.50	\$1,196.84	\$55,295.60	\$1,196.84
October 17, 2001	May 1, 2001- June 30, 2001	\$113,762.50	\$2,155.05	\$91,010.00	\$2,155.05
December 19, 2001	October 1, 2001- October 31, 2001	\$67,906.50	\$1,348.82	\$54,325.20	\$1,348.82
January 23, 2002	November 1, 2001- November 30, 2001	\$26,792.00	\$168.41	\$21,433.60	\$168.41
February 26, 2002	December 1, 2001- December 31, 2001	\$24,895.00	\$673.51	\$19,916.00	\$673.51
May 1, 2002	January 1, 2002- January 31, 2002	\$21,009.00	\$147.52	\$16,807.20	\$147.52
June 18, 2002	February 1, 2002- February 28, 2002	\$24,897.00	\$122.30	\$19,917.60	\$122.30
June 18, 2002	March 1, 2002 – March 31, 2002	\$17,003.00	\$52.22	\$13,602.40	\$52.22
June 25, 2002	September 1, 2001- September 30, 2001	\$31,625.50	\$488.83	\$25,300.40	\$488.83
June 25, 2002	April 1, 2002-April 30, 2002	\$17,827.00	\$345.71	\$14,261.60	\$345.71
June 26, 2002	January 1, 2002- March 31, 2002	\$62,909.00	\$322.04	\$62,909.00	\$322.04
July 2, 2002	May 1, 2002-May 31, 2002	\$27,070.00	\$177.64	\$21,656.00	\$177.64
August 14, 2002	June 1, 2002 – June 30, 2002	\$15,496.50	\$178.39	\$12,397.20	\$178.39
August 29, 2002	July 1, 2002 – July 31, 2002	\$18,481.50	\$225.82	\$14,785.20	\$225.82

September 3, 2002	July 19, 2001 – September 30, 2001	\$129,061.50	\$1,920.35	\$129,061.50	\$1,920.35
September 3, 2002	October 1, 2001 – December 31, 2001	\$119,593.50	\$2,190.74	\$119,593.50	\$2,190.74
September 20, 2002	April 1, 2002 – June 30, 2002	\$60,393.50	\$701.74	\$60,393.50	\$701.74
October 8, 2002	August 1, 2002 – August 31, 2002	\$10,363.00	\$169.79	\$8,290.40	\$169.79
October 30, 2002	September 1, 2002 – September 30, 2002	\$11,114.00	\$221.89	\$8,891.20	\$221.89
November 27, 2002	July 1, 2002 – September 30, 2002	\$39,958.50	\$615.50	\$35,771.00	\$615.50
December 11, 2002	October 1, 2002 – October 31, 2002	\$8,498.50	\$75.28	\$6,798.80	\$75.28
December 26, 2002	November 1, 2002 – November 30, 2002	\$4,241.00	\$117.29	\$3,392.80	\$117.29
February 6, 2003	December 1, 2002 – December 31, 2002	\$9,298.50	\$97.20	\$7,438.80	\$97.20
March 4, 2003	January 1, 2003 – January 31, 2003	\$6,026.50	\$24.91	\$4,821.20	\$24.91
March 27, 2003	February 1 – February 28, 2003	\$5,473.50	\$52.58	\$4,378.80	\$52.58
April 8, 2003	October 1, 2002 – December 31, 2002	\$22,038.00	\$289.77	\$22,038.00	\$289.77
May 9, 2003	March 1, 2003 – March 31, 2003	\$5,424.00	\$64.16	\$4,339.20	\$64.16
September 9, 2003	January 1, 2003 – March 31, 2003	\$16,924.00	\$141.65	\$16,924.00	\$146.65
August 22, 2003	April 1, 2003 – April 30, 2003	\$7,868.00	\$64.88	\$6,294.40	\$64.88
September 9, 2003	May 1, 2003 – May 31, 2003	\$8,143.50	\$88.14	\$6,514.80	\$88.14
September 5, 2003	June 1, 2003 – June 30, 2003	\$17,705.00	\$291.20	\$14,164.00	\$291.20
September 9, 2003	April 1, 2003 – June 30, 2003	\$33,716.05	\$444.22	\$33,716.05	\$444.22
September 6, 2003	July 1, 2003 – July 31, 2003	\$36,321.00	\$241.39	\$29,056.80	\$241.39
March 4, 2004	August 1, 2003 – August 31, 2003	\$27,487.00	\$932.61	\$21,989.60	\$932.61
March 4, 2004	September 1, 2003 – September 30, 2003	\$38,442.00	\$139.47	\$30,753.60	\$139.47
February 25, 2004	July 1, 2003 – September 30, 2003	\$102,250.00	\$1,313.47	\$102,250.00	\$1,313.47
March 8, 2004	October 1, 2003 – October 31, 2003	\$9,723.50	\$154.31	\$7,656.00	\$154.31
March 8, 2004	November 1, 2003 – November 30, 2003	\$5,845.00	\$119.01	\$4,676.00	\$119.01
March 8, 2004	December 1, 2003 – December 31, 2003	\$4,465.50	\$4.08	\$3,572.40	\$4.08
March 10, 2004	October 1, 2003 – December 31, 2003	\$19,968.00	\$277.40	\$19,968.00	\$277.40
May 12, 2004	January 1, 2004 – January 31, 2004	\$16,534.50	\$1,260.61	\$13,227.60	\$1,260.61

May 12, 2004	February 1, 2004 – February 28, 2004	\$9,591.50	\$32.50	\$7,673.20	\$32.50
May 12, 2004	March 1, 2004 – March 31, 2004	\$6,325.50	\$105.67	\$5,060.40	\$105.67
June 7, 2004	January 1, 2004– March 31, 2004	\$32,451.50	\$1,398.78	\$32,451.50	\$1,398.78
June 7, 2004	April 1, 2004– April 30, 2004	\$6,062.00	\$20.78	\$4,849.60	\$20.78
July 6, 2004	May 1, 2004– May 31, 2004	\$12,927.00	\$67.97	\$10,341.60	\$67.97
August 12, 2004	June 1, 2004 – June 30, 2004	\$12,228.00	\$372.90	\$9,782.40	\$372.90
August 17, 2004	April 1, 2004 – June 30, 2004	\$31,217.00	\$461.65	Pending	Pending
September 7, 2004	July 1, 2004 – July 31, 2004	\$19,020.00	\$216.31	\$15,216.00	216.31
September 24, 2004	August 1, 2004 – August 31, 2004	\$3,945.50	\$89.18	\$3,156.40	\$89.18

The Nelson Mullins Riley & Scarborough, L.L.P. attorneys who rendered professional services in these cases during the Fee Period are:

Name of Professional Person	Position with the applicant	Number of years as an attorney	Department	Hourly billing rate	Total billed hours	Total compensation
Joseph M. Melchers	Partner	14 years	Environmental	\$250.00	10.60	\$2,650.00
R.T. Carlisle	Of Counsel	21 years	Environmental	\$250.00	25.30	\$6,325.00
Betsy J. Burn	Associate	4 Years	Bankruptcy	\$190.00	1.20	\$228.00

Grand Total for Fees: \$9,203.00  
Blended Rate: \$ 248.06

The Nelson Mullins Riley & Scarborough, L.L.P. paraprofessionals who rendered professional services in these cases during the Fee Period are:

Anne R. Price	Paralegal	2 years	Bankruptcy	\$100.00	3.50	\$350.00
K. Lucas	Project Assistant	1 year	Environmental	\$65.00	2.90	\$188.50

Grand Total for Fees: \$538.50  
Blended Rate: \$84.14

<b>Matter Number</b>	<b>Matter</b>	<b>Total Hours</b>	<b>Total Fees Requested</b>
02399/06003	Beaco Road Site	1.90	\$364.00
02399/06030	Aiken-Title V Permit App. Iss	10.70	\$2,564.00
02399/06031	Li Tungsten	24.30	\$5,853.00
02399/06032	Charleston	0	\$0
02399/06091	Fee Applications	6.60	\$960.50
<b>TOTAL</b>		<b>43.50</b>	<b>\$9,741.50</b>

### Expense Summary

<b><u>Description</u></b>	<b><u>Amount</u></b>
Telephone	\$1.85
Photocopies	\$1.25
CopyOut	\$271.50
Fed Ex	\$9.86
<b>Total</b>	<b>\$284.46</b>

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
W. R. GRACE & CO., et al.,<sup>1</sup> ) Case No. 01-01139(JKF)  
) (Jointly Administered)  
)  
Debtors. )

**VERIFICATION**

Bernard F. Hawkins, Jr., after being duly sworn according to law, deposes and says as follows:

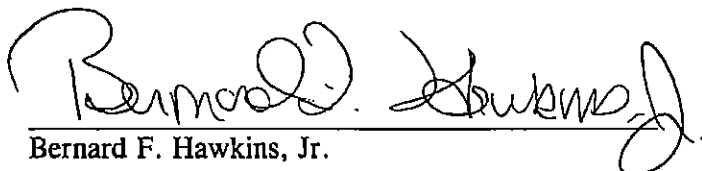
1. I am a partner with the applicant firm, Nelson Mullins Riley & Scarborough, L.L.P and I am a member in good standing of the bar of the State of South Carolina.
2. I have personally performed certain of, and overseen the legal services rendered by Nelson Mullins Riley & Scarborough, LLP as special litigation and environmental

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<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

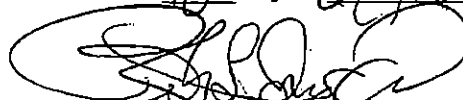
counsel to the Debtors and am thoroughly familiar with all other work performed on behalf of the Debtors by the lawyers and other persons in the firm.

3. The facts set forth in the foregoing Application are true and correct to the best of my knowledge, information and belief.

  
Bernard F. Hawkins, Jr.

SWORN to and subscribed before me

this 20 day of October, 2004

  
(L.S.)  
Notary Public for South Carolina

My Commission Expires: 9/3/09



**NELSON**

Nelson Mullins Riley &amp; Scarborough, L.L.P.

**MULLINS**

NELSON MULLINS RILEY &amp; SCARBOROUGH, L.L.P.

ATTORNEYS AND COUNSELORS AT LAW

TAX ID NO. 57-0215445

POST OFFICE BOX 11070

COLUMBIA, SOUTH CAROLINA 29211

TELEPHONE (803) 799-2000

W. R. Grace & Co.  
 ATTN: Lydia Duff, Esq.  
 Senior Environmental Counsel  
 7500 Grace Drive  
 Columbia, MD 21044

October 15, 2004  
 Invoice 648113 Page 1

Our Matter # 02399/06003  
 WR Grace # 063-KL-721490-01-501270  
 Name of Matter: Beaco Road Site

For Services Through 09/30/04

09/03/04	Organize file materials for Attorney Melchers and paralegal Jennings. K. LUCAS	0.60 hrs.	65.00/hr	\$39.00
09/07/04	Review minutes of Steering Committee meeting from Mr. English and memo from Mr. English regarding Steering Committee/Technical Committee conference call. J.M. MELCHERS	0.20 hrs.	250.00/hr	\$50.00
09/16/04	Prepare for and participate in Beaco Road Steering Committee conference call (0.6); follow-up regarding dispute of claim (0.4). J.M. MELCHERS	1.00 hrs.	250.00/hr	\$250.00
09/29/04	Respond to client inquiry from Ms. Duff. R.T. CARLISLE	0.10 hrs.	250.00/hr	\$25.00
<b>Fees for Legal Services .....</b>				<b>\$364.00</b>

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate/Hr</u>	<u>Dollars</u>
J.M. MELCHERS	1.20	250.00	300.00
R.T. CARLISLE	0.10	250.00	25.00
K. LUCAS	0.60	65.00	39.00
<b>TOTAL</b>	<b>1.90</b>	<b>\$191.58</b>	<b>\$364.00</b>

**Net current billing for this invoice .....** **\$364.00**

**GRAND TOTAL .....** **\$364.00**

W. R. Grace & Co.

October 15, 2004  
Invoice 648113 Page 2

**REMITTANCE COPY**

Please Return With Your Payment To:

ATTN: ACCOUNTS RECEIVABLE  
NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.  
P.O. DRAWER 11009  
COLUMBIA, SOUTH CAROLINA 29211  
TELEPHONE (803) 799-2000

For Services Through 09/30/04

Our Matter # 02399/06003  
Beaco Road Site

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Fees for Professional Services	\$364.00
Charges for Other Services Provided/Expenses Incurred	\$0.00
<b>Net current billing for this invoice .....</b>	<b>\$364.00</b>

<b>Terms of Payment: Balance due within thirty days of invoice date</b>
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**WIRING INSTRUCTIONS**

**Account Name:** Nelson Mullins Riley & Scarborough, L.L.P.  
Columbia Operating Account  
**ABA#:** 053200666  
**Account #:** 04032 24077 01  
**Bank:** National Bank of South Carolina (NBSC), Sumter, SC

**NELSON**

Nelson Mullins Riley &amp; Scarborough, L.L.P.

**MULLINS**

NELSON MULLINS RILEY &amp; SCARBOROUGH, L.L.P.

ATTORNEYS AND COUNSELORS AT LAW

TAX ID NO. 57-0215445

POST OFFICE BOX 11070

COLUMBIA, SOUTH CAROLINA 29211

TELEPHONE (803) 799-2000

W. R. Grace & Co.  
 ATTN: Lydia Duff, Esq.  
 Senior Environmental Counsel  
 7500 Grace Drive  
 Columbia, MD 21044

October 15, 2004  
 Invoice 648114 Page 1

Our Matter # 02399/06030  
 WR Grace # 032-KL-721400-00-5250472  
 Name of Matter: Aiken-Title V Permit App. Iss

For Services Through 09/30/04

09/03/04	Organize file materials for Attorney Carlisle's review. K. LUCAS	0.60 hrs.	65.00/hr	\$39.00
09/09/04	Confer with Mr. Fishel regarding Title V Annual Compliance Certification (0.9); review draft (1.4); follow-up discussion with Mr. Fishel (0.3); compare draft to requirements (2.1). R.T. CARLISLE	4.70 hrs.	250.00/hr	\$1,175.00
09/13/04	Comments on draft certification and conferences with Mr. Fishel regarding same. R.T. CARLISLE	3.70 hrs.	250.00/hr	\$925.00
09/14/04	Confer with DHEC representative regarding certification issues (0.7); confer with Mr. Fishel regarding same (0.3) identify additional comments on draft and confer with Mr. Fishel regarding same and regarding additional comments on draft (0.7) R.T. CARLISLE	1.70 hrs.	250.00/hr	\$425.00

**Fees for Legal Services ..... \$2,564.00**

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate/Hr</u>	<u>Dollars</u>
R.T. CARLISLE	10.10	250.00	2,525.00
K. LUCAS	0.60	65.00	39.00
<b>TOTAL</b>	<b>10.70</b>	<b>\$239.63</b>	<b>\$2,564.00</b>

**CHARGES FOR OTHER SERVICES PROVIDED/EXPENSES INCURRED**

09/13/2004	Telephone 1-803-648-9575	1.10
<b>Total Charges for Other Services Provided/Expenses Incurred .....</b>		<b>\$1.10</b>

**DISBURSEMENT SUMMARY**

<u>Description</u>	<u>Dollars</u>
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W. R. Grace & Co.

October 15, 2004  
Invoice 648114 Page 2

**Description**

**Dollars**

Telephone

1.10

TOTAL

\$1.10

**Net current billing for this invoice ..... \$2,565.10**

**GRAND TOTAL..... \$2,565.10**

W. R. Grace & Co.

October 15, 2004  
Invoice 648114 Page 3

**REMITTANCE COPY**

Please Return With Your Payment To:

ATTN: ACCOUNTS RECEIVABLE  
NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.  
P.O. DRAWER 11009  
COLUMBIA, SOUTH CAROLINA 29211  
TELEPHONE (803) 799-2000

For Services Through 09/30/04

Our Matter # 02399/06030  
Aiken-Title V Permit App. Iss

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Fees for Professional Services	\$2,564.00
Charges for Other Services Provided/Expenses Incurred	\$1.10
<b>Net current billing for this invoice .....</b>	<b>\$2,565.10</b>

<b>Terms of Payment: Balance due within thirty days of invoice date</b>
---

**WIRING INSTRUCTIONS**

**Account Name:** Nelson Mullins Riley & Scarborough, L.L.P.  
Columbia Operating Account  
**ABA#:** 053200666  
**Account #:** 04032 24077 01  
**Bank:** National Bank of South Carolina (NBSC), Sumter, SC

**NELSON**

Nelson Mullins Riley &amp; Scarborough, L.L.P.

**MULLINS**

NELSON MULLINS RILEY &amp; SCARBOROUGH, L.L.P.

ATTORNEYS AND COUNSELORS AT LAW

TAX ID No. 57-0215445

POST OFFICE BOX 11070

COLUMBIA, SOUTH CAROLINA 29211

TELEPHONE (803) 799-2000

W. R. Grace & Co.  
 ATTN: Lydia Duff, Esq.  
 Senior Environmental Counsel  
 7500 Grace Drive  
 Columbia, MD 21044

October 15, 2004  
 Invoice 648115 Page 1

Our Matter # 02399/06031 For Services Through 09/30/04  
 Cost Center # 800148  
 WR Grace # 001-KL-721490-01-501560  
 Name of Matter: Li Tungsten

09/03/04	Organize file materials for Attorneys Melchers and Carlisle. K. LUCAS	0.60 hrs.	65.00/hr	\$39.00
09/20/04	Follow-up telephone call to EPA (0.1); review memo from Ms. Duff and prepare response regarding budget analysis and begin same (0.3). J.M. MELCHERS	0.40 hrs.	250.00/hr	\$100.00
09/21/04	Review and respond to memo from Ms. Duff regarding budget (0.1); begin work on same (0.5). J.M. MELCHERS	0.60 hrs.	250.00/hr	\$150.00
09/22/04	Confer with Attorney Carlisle regarding issues for liability memo (0.2); prepare for and telephone conference with EPA regarding negotiations (0.6); review and edit memo to Ms. Duff regarding same (0.5); review documents and prepare proposed budget as requested by Ms. Duff (1.2); review comments from Attorney Carlisle and further revise memo (1.1). J.M. MELCHERS	3.60 hrs.	250.00/hr	\$900.00
09/22/04	Confer with Attorney Melchers regarding claims issues (0.2); review documents relating to same (0.2). R.T. CARLISLE	0.40 hrs.	250.00/hr	\$100.00
09/23/04	Review and respond to memo from Attorney Carlisle regarding budget analysis changes. J.M. MELCHERS	0.10 hrs.	250.00/hr	\$25.00
09/23/04	Begin review of documents related to claims issues. R.T. CARLISLE	0.50 hrs.	250.00/hr	\$125.00
09/24/04	Telephone conference with Ms. Duff regarding strategy for upcoming conference call and negotiation issues (0.2); evaluate documents for statement and confer with Attorney Carlisle regarding same (0.5); review and revise statement regarding liability and discuss changes with Attorney Carlisle (0.9). J.M. MELCHERS	1.60 hrs.	250.00/hr	\$400.00
09/24/04	Review documents relating to claims issues (3.6); confer with Attorney Melchers regarding same, and prepare related documents (1.3). R.T. CARLISLE	4.90 hrs.	250.00/hr	\$1,225.00

W. R. Grace &amp; Co.

October 15, 2004  
Invoice 648115 Page 2

09/27/04	Prepare for and telephone conference with EPA and prepare memo regarding same (0.7); review memo from Ms. Duff and respond (0.1); analysis of claims issues and confer with Attorney Carlisle regarding analysis for same and additional strategies (0.9). J.M. MELCHERS	1.70 hrs.	250.00/hr	\$425.00
09/27/04	Review documents relating to claims issues. R.T. CARLISLE	6.50 hrs.	250.00/hr	\$1,625.00
09/27/04	Update file with materials per instructions of Paralegal Jennings. K. LUCAS	0.60 hrs.	65.00/hr	\$39.00
09/28/04	Work on document review relating to claims issues. R.T. CARLISLE	2.10 hrs.	250.00/hr	\$525.00
09/29/04	Review documents relating to claims issues. R.T. CARLISLE	0.70 hrs.	250.00/hr	\$175.00

<b>Fees for Legal Services .....</b>	<b>\$5,853.00</b>
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**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate/Hr</u>	<u>Dollars</u>
J.M. MELCHERS	8.00	250.00	2,000.00
R.T. CARLISLE	15.10	250.00	3,775.00
K. LUCAS	1.20	65.00	78.00
<b>TOTAL</b>	<b>24.30</b>	<b>\$240.86</b>	<b>\$5,853.00</b>

**CHARGES FOR OTHER SERVICES PROVIDED/EXPENSES INCURRED**

09/22/2004	Telephone 1-212-637-3165	0.30
09/24/2004	Telephone 1-443-803-5751	0.35
09/27/2004	Telephone 1-212-637-3165	0.10
<b>Total Charges for Other Services Provided/Expenses Incurred .....</b>		<b>\$0.75</b>

**DISBURSEMENT SUMMARY**

<u>Description</u>	<u>Dollars</u>
Telephone	0.75
<b>TOTAL</b>	<b>\$0.75</b>

<b>Net current billing for this invoice .....</b>	<b>\$5,853.75</b>
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<b>GRAND TOTAL .....</b>	<b><u>\$5,853.75</u></b>
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W. R. Grace & Co.

October 15, 2004  
Invoice 648115 Page 3

**REMITTANCE COPY**

Please Return With Your Payment To:

ATTN: ACCOUNTS RECEIVABLE  
NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.  
P.O. DRAWER 11009  
COLUMBIA, SOUTH CAROLINA 29211  
TELEPHONE (803) 799-2000

For Services Through 09/30/04

Our Matter # 02399/06031  
Li Tungsten

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Fees for Professional Services	\$5,853.00
Charges for Other Services Provided/Expenses Incurred	\$0.75
<b>Net current billing for this invoice .....</b>	<b>\$5,853.75</b>

<b>Terms of Payment: Balance due within thirty days of invoice date</b>
---

**WIRING INSTRUCTIONS**

**Account Name:** Nelson Mullins Riley & Scarborough, L.L.P.  
Columbia Operating Account  
**ABA#:** 053200666  
**Account #:** 04032 24077 01  
**Bank:** National Bank of South Carolina (NBSC), Sumter, SC



**NELSON**

Nelson Mullins Riley &amp; Scarborough, L.L.P.

**MULLINS**

NELSON MULLINS RILEY &amp; SCARBOROUGH, L.L.P.

ATTORNEYS AND COUNSELORS AT LAW

TAX ID No. 57-0215445

POST OFFICE BOX 11070

COLUMBIA, SOUTH CAROLINA 29211

TELEPHONE (803) 799-2000

W. R. Grace & Co.  
 ATTN: Lydia Duff, Esq.  
 Senior Environmental Counsel  
 7500 Grace Drive  
 Columbia, MD 21044

October 15, 2004  
 Invoice 648116 Page 1

Our Matter # 02399/06032  
 WR Grace # 063-KL-721490-01-0501221  
 Name of Matter: Charleston

For Services Through 09/30/04

**CHARGES FOR OTHER SERVICES PROVIDED/EXPENSES INCURRED**

09/15/2004	VENDOR: Ikon Office Solutions; INVOICE#: L07128280; DATE: 9/15/2004	233.25
09/15/2004	VENDOR: Ikon Office Solutions; INVOICE#: L07128280; DATE: 9/15/2004	38.25
<b>Total Charges for Other Services Provided/Expenses Incurred .....</b>		<b>\$271.50</b>

**DISBURSEMENT SUMMARY**

<u>Description</u>	<u>Dollars</u>
CopyOut	271.50
<b>TOTAL</b>	<b>\$271.50</b>

**Net current billing for this invoice .....** **\$271.50**

**GRAND TOTAL.....** **\$271.50**

W. R. Grace & Co.

October 15, 2004  
Invoice 648116 Page 2

**REMITTANCE COPY**

Please Return With Your Payment To:

ATTN: ACCOUNTS RECEIVABLE  
NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.  
P.O. DRAWER 11009  
COLUMBIA, SOUTH CAROLINA 29211  
TELEPHONE (803) 799-2000

For Services Through 09/30/04

Our Matter # 02399/06032  
Charleston

---

Fees for Professional Services	\$0.00
Charges for Other Services Provided/Expenses Incurred	\$271.50
<b>Net current billing for this invoice .....</b>	<b>\$271.50</b>

<b>Terms of Payment: Balance due within thirty days of invoice date</b>
---

**WIRING INSTRUCTIONS**

**Account Name:** Nelson Mullins Riley & Scarborough, L.L.P.  
Columbia Operating Account  
**ABA#:** 053200666  
**Account #:** 04032 24077 01  
**Bank:** National Bank of South Carolina (NBSC), Sumter, SC

**NELSON**

Nelson Mullins Riley &amp; Scarborough, L.L.P.

**MULLINS****NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.**

ATTORNEYS AND COUNSELORS AT LAW

TAX ID No. 57-0215445

POST OFFICE BOX 11070

COLUMBIA, SOUTH CAROLINA 29211

TELEPHONE (803) 799-2000

W. R. Grace & Co.  
 ATTN: Lydia Duff, Esq.  
 Senior Environmental Counsel  
 7500 Grace Drive  
 Columbia, MD 21044

October 15, 2004  
 Invoice 648117 Page 1

Our Matter # 02399/06091  
 Name of Matter: Fee Applications

For Services Through 09/30/04

09/03/04	Organize file materials, create folders, etc., for Attorney Melchers review. K. LUCAS	0.30 hrs.	65.00/hr	\$19.50
09/07/04	Review memo from Mr. Bossay regarding review of auditor's spreadsheet and followup regarding review of same. J.M. MELCHERS	0.20 hrs.	250.00/hr	\$50.00
09/08/04	Review memo from Attorney Burn regarding review of and response to Mr. Bossay's memo and attachments regarding auditor's spreadsheet. J.M. MELCHERS	0.10 hrs.	250.00/hr	\$25.00
09/08/04	Review spreadsheet received from auditor on the 12th Quarterly Fee Application numbers and compare to our cumulative spreadsheet and records (0.2); follow up with auditor on same (0.1). B.J. BURN	0.30 hrs.	190.00/hr	\$57.00
09/15/04	Review memo from Attorney Burn regarding CONOs for May 2004 and June 2004 Fee Applications and July 2004 filing. J.M. MELCHERS	0.10 hrs.	250.00/hr	\$25.00
09/15/04	Follow up on status of July 2004 Interim Fee Application (0.1); follow up on status of corrected CONO for May 2004 Interim Fee Application (0.1); update tracking chart for all objection deadlines and other details (0.1); review auditor's report (0.1). B.J. BURN	0.40 hrs.	190.00/hr	\$76.00
09/20/04	Review memo from Attorney Burn regarding review of draft August Fee Application. J.M. MELCHERS	0.10 hrs.	250.00/hr	\$25.00
09/20/04	Follow up with Attorneys Hawkins and Plowman regarding any new real estate bills and procedure for fee applications on same. B.J. BURN	0.20 hrs.	190.00/hr	\$38.00
09/21/04	Review August bills and draft August 2004 Interim Fee Application. A.R. PRICE	3.50 hrs.	100.00/hr	\$350.00
09/21/04	Review and revise draft August 2004 Interim Fee Application. J.M. MELCHERS	0.50 hrs.	250.00/hr	\$125.00

09/21/04	Review and edit August 2004 Interim Fee Application. B.J. BURN	0.30 hrs.	190.00/hr	\$57.00
09/22/04	Review and edit August 2004 Fee Application documents for filing. J.M. MELCHERS	0.40 hrs.	250.00/hr	\$100.00
09/27/04	Update file with materials per instructions of Paralegal Jennings. K. LUCAS	0.20 hrs.	65.00/hr	\$13.00
<b>Fees for Legal Services .....</b>				<b>\$960.50</b>

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate/Hr</u>	<u>Dollars</u>
J.M. MELCHERS	1.40	250.00	350.00
B.J. BURN	1.20	190.00	228.00
A.R. PRICE	3.50	100.00	350.00
K. LUCAS	0.50	65.00	32.50
<b>TOTAL</b>	<b>6.60</b>	<b>145.53</b>	<b>960.50</b>

**CHARGES FOR OTHER SERVICES PROVIDED/EXPENSES INCURRED**

09/22/2004	Federal Express charge	9.86
09/22/2004	Photocopies 22 Page(s)	1.10
09/22/2004	Photocopies 3 Page(s)	0.15
<b>Total Charges for Other Services Provided/Expenses Incurred .....</b>		<b>\$11.11</b>

**DISBURSEMENT SUMMARY**

<u>Description</u>	<u>Dollars</u>
Photocopies	1.25
Fed Ex	9.86
<b>TOTAL</b>	<b>\$11.11</b>

<b>Net current billing for this invoice .....</b>	<b>\$971.61</b>
<b>GRAND TOTAL.....</b>	<b><u>\$971.61</u></b>

**REMITTANCE COPY**

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ATTN: ACCOUNTS RECEIVABLE  
NELSON MULLINS RILEY & SCARBOROUGH, L.L.P.  
P.O. DRAWER 11009  
COLUMBIA, SOUTH CAROLINA 29211  
TELEPHONE (803) 799-2000

For Services Through 09/30/04

Our Matter # 02399/06091  
Fee Applications

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Fees for Professional Services	\$960.50	
Charges for Other Services Provided/Expenses Incurred	\$11.11	
Net current billing for this invoice .....		<b>\$971.61</b>

<b>Terms of Payment: Balance due within thirty days of invoice date</b>
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**WIRING INSTRUCTIONS**

**Account Name:** Nelson Mullins Riley & Scarborough, L.L.P.  
Columbia Operating Account  
**ABA#:** 053200666  
**Account #:** 04032 24077 01  
**Bank:** National Bank of South Carolina (NBSC), Sumter, SC

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	}	Chapter 11
W. R. GRACE & CO., <u>et al.</u> <sup>1</sup>	}	Case No. 01-1139 (JKF)
Debtors.	}	Jointly Administered

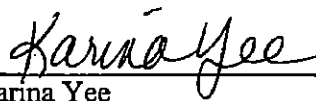
**AFFIDAVIT OF SERVICE**

STATE OF DELAWARE	}	
COUNTY OF NEW CASTLE	}SS	

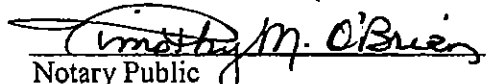
Karina Yee, being duly sworn according to law, deposes and says that she is employed by the law firm of Pachulski, Stang, Ziehl, Young, Jones & Weintraub P.C., co-counsel for the Debtors, in the above-captioned action, and that on the 22<sup>nd</sup> day of October 2004 she caused a copy of the following document(s) to be served upon the attached service list(s) in the manner indicated:

<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Application of Nelson Mullins Riley & Scarborough, L.L.P. for  
Compensation for Services and Reimbursement of Expenses as Special  
Counsel to W. R. Grace & Co., et al., for the Third Interim Period, from  
September 1, 2004 through September 30, 2004, for the Quarter of  
July 2004 – September 2004

  
Karina Yee

Sworn to and subscribed before  
me this 22<sup>nd</sup> day of October, 2004

  
Notary Public  
My Commission Expires: 3-11-2006

**TIMOTHY M. O'BRIEN**  
Notary Public - Delaware  
My Comm. Expires Mar. 11, 2006

Grace Fee Application Service List

Case Number: 01-1139 (JKF)

Document Number: 45804

01 – Hand Delivery

02 – Federal Express

14 - E-Mail

smcfarland@pszyj.com

(Counsel to Debtors and Debtors in Possession)

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Scotta McFarland, Esquire

Pachulski, Stang, Ziehl, Young & Jones P.C.

919 North Market Street, 16th Floor

P.O. Box 8705

Wilmington, DE 19899-8705

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Los Angeles, CA 90067-4100

(Parcels)

Vito I. DiMaio

Parcels, Inc.

10th & King Streets

P.O. Box 27

Wilmington, DE 19899

**Hand Delivery**

(United States Trustee)

Frank J. Perch, Esquire

Office of the United States Trustee

844 King Street, Room 2311

Wilmington, DE 19801

**Federal Express**

(Fee Auditor)

Warren H. Smith

Warren H. Smith & Associates

Republic Center

325 N. St. Paul

Suite 1275

Dallas, TX 75201

**Federal Express and E-mail:**

[william.sparks@grace.com](mailto:william.sparks@grace.com)

(W.R. Grace & Co.)

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7500 Grace Drive

Columbia, MD 21044

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Campbell & Levine, LLC

**E-mail:** [ttacconelli@ferryjoseph.com](mailto:ttacconelli@ferryjoseph.com)

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(Counsel for Official Committee of Equity Holders)

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Klett Rooney Lieber & Schorling

**E-mail:**

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(Counsel to Debtor)

James H.M. Sprayregen, P.C.

James Kapp, III, Esquire

Kirkland & Ellis



*E-mail: [pyul@capdale.com](mailto:pyul@capdale.com)*

(Official Committee of Personal Injury  
Claimants)

Elihu Inselbuch, Esquire  
Caplin & Drysdale, Chartered

*E-mail: [rserrette@stroock.com](mailto:rserrette@stroock.com)*

(Official Committee of Unsecured  
Creditors)

Lewis Kruger, Esquire  
Stroock & Stroock & Lavan LLP

*E-mail: [jsakalo@hilzin.com](mailto:jsakalo@hilzin.com)*

(Official Committee of Property Damage  
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Scott L. Baena, Esquire  
Bilzin Sumberg Dunn Baena Price &  
Axelrod LLP

*E-mail: [david.heller@lw.com](mailto:david.heller@lw.com) and*

*[carol.hennessey@lw.com](mailto:carol.hennessey@lw.com)*

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Latham & Watkins

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Holders)

Philip Bentley, Esquire  
Kramer Levin Naftalis & Frankel LLP